

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 27, 2001

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

v.

CASE NO. PUE990436

COLUMBIA GAS OF VIRGINIA, INC.,

Defendant.

ORDER MODIFYING DATES

On April 20, 2000, the State Corporation Commission ("Commission") entered an Order accepting an Offer of Settlement from Columbia Gas of Virginia, Inc. ("Columbia" or "the Company"), for certain alleged violations of the Commission's gas pipeline safety standards. Among other things, the April 20, 2000, Order directed Columbia to retain by June 1, 2000, an outside consultant to perform an independent audit of the management policies and procedures, operation, maintenance and facilities of the Company's cathodic protection corrosion control program ("Corrosion Control Program").

Columbia entered into a corrosion control consulting contract with CORRPRO Companies, Inc. ("CORRPRO"), on June 1, 2000. Columbia requested an extension of time from September 1, 2000, to October 13, 2000, in which CORRPRO could complete its review and audit of Columbia's Corrosion Control Program, as

well as an extension of time in which CORRPRO could file its final report with the Commission Staff.

In its August 31, 2000, Order Granting Motion, among other things, the Commission extended the time in which CORRPRO's review and audit could be completed and extended the date by which CORRPRO's final report should be filed to December 1, 2000.

On August 17, 2001, Columbia filed a Motion for Extension of Time with the Commission. On August 20, 2001, the Company amended its Motion for an Extension of Time ("Amended Motion").

In its Amended Motion, Columbia requested that the Commission extend the date by which the Company must certify that it has corrected any deficiencies in its Corrosion Control Program, as well as the date by which it must report on its compliance efforts with respect to various Customer Owned Service Lines ("COSLs") and associated expenditures.

In the Amended Motion, Columbia represents that with the extended period granted to CORRPRO to complete its work and to file a final report, Columbia is required to remediate the deficiencies identified by CORRPRO within ten (10) months, i.e., October 1, 2001, rather than the 12-month period envisioned in Paragraph 2(b) found at page 7 of the April 20, 2000, Order of Settlement. The Company notes that Paragraph 2(c), found at pages 7-8 of the April 20, 2000, Order of Settlement, requires

Columbia to tender to the Director of the Division of Energy Regulation on or before October 1, 2001, a notarized certification representing that the Company has corrected any deficiencies noted in the consultant's report.

Columbia asserts that with the extended period granted to CORRPRO to file its final report, the Company is required to remediate the deficiencies identified by CORRPRO within ten (10) months, i.e., by October 1, 2001, rather than the 12-month period provided by Paragraph 2(b) of the Order of Settlement. Columbia states that it seeks an extension of the deadlines to preserve the 12-month period of remediation contemplated in Paragraph 2(b) of the Order of Settlement in light of CORRPRO's extension. It also asks for a modification of the dates on which it must report to the Director of the Division of Energy Regulation on the actions it has taken and the expenditures it has made to comply with the requirements of Paragraph 2(e) found at page 8 of the Order of Settlement.

Columbia also notes that Paragraph 2(e), found at page 8 of the Order of Settlement, requires the Company to initiate an investigation, location, recordation, and acquisition of all COSLs installed prior to January 1, 1984, in its Gainesville, Staunton, and Lexington operating areas. It also requires the Company to complete these actions for at least 10,000 COSLs by May 1, 2002, and the remaining COSLs by May 1, 2003. Columbia

states that it must report on the completion of the project on at least 10,000 COSLs on April 1, 2002, and the remaining COSLs by April 1, 2003. It contends that the Company must report the conclusion of the prescribed activities 30 days before the completion dates specified in the Commission's Order. Columbia therefore requests the Commission to modify the time to make the required reports to the Director of the Division of Energy Regulation, regarding the completion of the required activities for the 10,000 COSLs to June 1, 2002, and for the remaining COSLs to June 1, 2003, thereby allowing the Company 30 calendar days after the deadline for completing the activities required in Paragraph 2(e) to make the required reports to the Commission.

NOW THE COMMISSION, upon consideration of the Company's Amended Motion and having been advised by its Staff, is of the opinion and finds that Columbia's request should be granted; that the time in which Columbia must correct the deficiencies noted in CORRPRO's final report should be extended to December 1, 2001; additionally, that the date by which Columbia must tender to the Director of the Division of Energy Regulation a notarized affidavit signed by an appropriate corporate official certifying that the Company has corrected any deficiencies noted in the consultant's report as required by Paragraph 2(c) at pages 7-8 of the Order of Settlement should be

extended to January 4, 2002; that the date to report on the actions and expenditures for the COSLs described in Paragraph 2(e) at page 8 of the Order of Settlement should be extended to June 3, 2002;¹ and that the report on the actions and expenditures as to the remaining COSLs should be extended to June 2, 2003.² We note that in granting these extensions, we are not extending the date for the Company's undertakings described by Paragraph 2(d) at page 8 of the April 20, 2000, Order of Settlement. Nor are we granting additional time to Columbia to complete the activities identified in Paragraph 2(e) at page 8 of the April 20, 2000, Order of Settlement. Columbia must still complete the investigation, location, recordation, and acquisition of COSLs as outlined in Paragraph 2(e) of the Order of Settlement, as to at least 10,000 COSLs by May 1, 2002, and the remaining COSLs by May 1, 2003.

Accordingly, IT IS ORDERED THAT:

(1) Columbia's August 20, 2001, Amended Motion is hereby granted.

¹ June 1, 2002 is a Saturday. Therefore, we have set the filing date for this report to Monday, the next business day.

² June 1, 2003 is a Sunday. Therefore, we have set the filing date for this report to Monday, the next business day.

(2) The time by which the Company shall remediate the deficiencies identified by CORRPRO in its final report shall be extended to December 1, 2001.

(3) The time set out in Paragraph 2(f) of the April 20, 2000, Order of Settlement in which Columbia shall tender to the Director of the Division of Energy Regulation a notarized affidavit signed by an appropriate corporate official certifying that the Company has corrected any deficiencies noted in CORRPRO's report shall be extended to January 4, 2002.

(4) The time in which Columbia shall report as provided in Paragraph 2(f) of the April 20, 2000, Order of Settlement to the Director of the Division of Energy Regulation on completion of the investigation, location, recordation, and acquisition of at least 10,000 COSLs as described in Paragraph 2(e) at page 8 of the April 20, 2000, Order of Settlement shall be extended to June 3, 2002.

(5) The time in which Columbia shall report as provided in Paragraph 2(f) of the April 20, 2000, Order of Settlement to the Director of the Division of Energy Regulation on the remaining COSLs described in Paragraph 2(e) at page 8 of the April 20, 2000, Order of Settlement shall be extended to June 2, 2003.

(6) The remaining portions of the provisions of the April 20, 2000, Order of Settlement shall remain in effect.